

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
FOREST VIEW ACRES WATER DISTRICT
AND THE BOARD OF DIRECTORS OF THE
WATER ACTIVITY ENTERPRISE
HELD
NOVEMBER 30, 2006

A regular meeting of the Board of Directors of the Forest View Acres Water District and the Board of Directors of the Water Activity Enterprise (referred to hereafter as "Board") was held on Thursday, the 30th day of November, 2006, at 5:30 P.M. at the Tri Lakes Fire Department, Station No. 1, 18650 Highway 105, Monument, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Barbara Reed-Polatty, Chairman
Eckehart Zimmermann
Richard Crocker
Kajetan Nowacki

Also In Attendance Were:

Lisa Johnson; Special District Management Services, Inc.

Paul C. Rufien, Esq.; Paul C. Rufien, P.C.

Dawn Schilling; Dawn A. Schilling, LLC

Mike Bacon; Community Solutions, Inc.

See attached list for others in attendance

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting. Following discussion, upon motion duly made by Director Zimmerman, seconded by Director Nowacki and, upon vote, unanimously carried, the Agenda was approved.

Minutes: The Board reviewed the minutes of the November 2, 2006 special meeting. Following discussion, upon motion duly made by Director Zimmermann, seconded by Director Nowacki and, upon vote, unanimously carried,

RECORD OF PROCEEDINGS

the Board approved the minutes of the November 2, 2006 special meeting, as amended.

The Board then reviewed the minutes of the November 10, 2006 reconvened special meeting. Following discussion, upon motion duly made by Director Zimmermann, seconded by Director Nowacki and, upon vote, unanimously carried, the Board approved the minutes of the November 10, 2006 reconvened special meeting.

Appointment of Director: The Board deferred action to the next meeting.

2007 Meeting Dates: Ms. Johnson reviewed the business to be conducted in 2007 to meet the statutory compliance requirements.

The Board determined to meet on the fourth Thursday of each month, at 6:00 p.m., at the Tri Lakes Fire Department, Station No. 1, 18650 Highway 105, Monument, Colorado.

Boundary Map: Director Crocker will obtain a current map of the District's boundaries from the County Assessor and will verify that the map reflects the inclusion of Red Rock Reserve. If changes are necessary, Director Crocker will coordinate getting a new map completed and filed by the January 1st deadline.

Public comments on agenda items: No comments were made.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims for the period ending November 30, 2006, totaling \$47,034.00.

Following discussion, upon motion duly made by Director Crocker, seconded by Director Nowacki and, upon vote, unanimously carried, the Board approved payment of claims for the period ending November 30, 2006, totaling \$47,034.00.

Financial Statements: The Board reviewed the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending October 31, 2006. Following review, upon motion duly made by

RECORD OF PROCEEDINGS

Director Crocker, seconded by Director Zimmermann and, upon vote, unanimously carried, the unaudited financial statements were accepted as presented.

2005 Audit: Ms. Schilling presented the draft audit. The Board deferred action to the December 28, 2006 meeting.

2006 Budget Amendment Hearing: The Chairman opened the public hearing to consider the Resolution to Amend the 2006 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2006 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, Director Nowacki moved to adopt the Resolution to Amend 2006 Budget, Director Zimmermann seconded the motion and, upon vote, the motion unanimously carried. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2007 Budget: The Chairman opened the public hearing to consider the proposed 2007 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

No public comments were received and the public hearing was closed.

Ms. Johnson reviewed the estimated 2006 expenditures and proposed 2007 expenditures. The Board discussed changes to the budget.

RECORD OF PROCEEDINGS

Following discussion, the Board considered the adoption of the Resolution to Adopt the 2007 Budget, Set Mill Levies, and Appropriate Sums of Money. Upon motion duly made by Director Crocker, seconded by Director Zimmermann and, upon vote, unanimously carried, the Resolution was adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2006. Ms. Johnson was authorized to transmit the Certification of Mill Levy to the Board of County Commissioners of El Paso County, the Division of Local Government and the Division of Property Taxation, not later than December 15, 2006. Ms. Johnson was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 31, 2007. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

BILLING MATTERS

Address Audit: Ms. Johnson reported that the verification process is continuing.

LEGAL MATTERS

Termination of Schmidt Inclusion: Attorney Rufien has filed a motion with the Court requesting termination of the inclusion. Attorney Rufien is working with Attorney Zilis to convey the water rights back to Mr. Schmidt.

Rules and Regulations: There was no report.

Higgins inclusion: Mr. Rufien received the Inclusion Agreement back from Mr. Higgins and is reviewing it. He noted that there are two issues of substance, Higgins has requested that the fees incurred by the engineer be waived and Higgins has listed specific water rights to be conveyed to the District that will need to be researched by water counsel.

The Board accepted a deposit from Mr. Higgins in the amount of \$1,000 and directed staff to review his plans to install a water main and to inspect said water line.

RECORD OF PROCEEDINGS

ELECTION

November 2006 Election: Ms. Johnson presented the Board of Canvassers Certificate of Election Results. Ballot Issue 5A passed, the remaining issues and question did not pass.

OPERATIONS REPORT

Water Operator report: Mr. Bacon reviewed the November Operation's Report and the Production Report through October 2006.

Following discussion, upon motion duly made by Director Crocker, seconded by Director Zimmermann and, upon vote, unanimously carried, the Board authorized the purchase of a new backwash control panel for an amount not to exceed \$1,436.00

Following discussion, upon motion duly made by Director Nowacki, seconded by Director Crocker and, upon vote, unanimously carried, the Board authorized the purchase of five backwash valve kits for an amount not to exceed \$600.00

Red Rocks Reserve development: The contractor wants to relocate the electrical service leading to the surface treatment plant. Staff will work with the contractor to resolve the issue.

OTHER BUSINESS

Public comments: Susan Gates-ethics issues. Issues with SDMS and the election. Wanted to know if SDMS' contract and performance has been reviewed by the Board.

LEGAL MATTERS CONTINUED

Petrock & Fendel, P.C. settlement: EXECUTIVE SESSION: Pursuant to §24-6-402(4), C.R.S., Director Nowacki moved that the regular public meeting of the Board adjourn and, upon an affirmative vote of at least two-thirds of the quorum present, that the Board reconvene in Executive Session for the sole purpose of receiving from the Board's attorney legal advice on specific legal questions as authorized by §24-6-402(4)(b), C.R.S.

Furthermore, pursuant to §24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of those portions of the executive session that, in the opinion of the

RECORD OF PROCEEDINGS

District's counsel, constitutes privileged attorney-client communication pursuant to §24-6-402(4)(b), C.R.S.


The Board reconvened in regular session at 9:00 p.m.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried the meeting was adjourned.

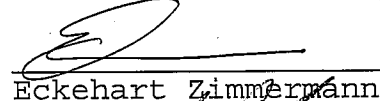
Respectfully submitted,

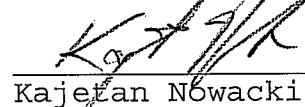
By


Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL NOVEMBER 30, 2006 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:


Barbara Reed-Polatty


Eckehart Zimmermann


Kajetan Nowacki


Richard Crocker

Please **print** your name, address and phone number and the issue(s) you are interested in addressing at this meeting.

NAME	ADDRESS	TELEPHONE/EMAIL	ISSUE(S) TO BE ADDRESSED
DAVE HIGGINS	PO BOX 1558 MON.	488-3814	INCLUSION
DAWN SCHILLING	PO BOX 261579 HIGHLANDS RANCH	7-348-1086	—
SUSAN GRATES	18235 SUNBURST DR	487-1606	ETHICS & SDMS
FREDERICK MAURSTROM	" " "	" "	
BILL CLOVER	17630 Shiloh Pines Dr	CLOVERHQA@AOL.COM 719-481-8372	New Expenses
JAN CLOVER	" " "	" "	
JIM KENDRICK	OCN	719 488-6831	N/A
Denny Lewis	18890 Spring Valley Rd	649-9540	

RESOLUTION TO AMEND 2006 BUDGET,
FOREST VIEW ACRES WATER DISTRICT

WHEREAS, the Board of Directors of the Forest View Acres Water District adopted a budget and appropriated funds for the fiscal year 2006 as follows:

General Fund	\$	109,500
Debt Service Fund	\$	90,741
Capital Projects Fund	\$	53,000
Enterprise Fund	\$	271,000

WHEREAS, the necessity has arisen for additional expenditures in the Enterprise Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2006; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the Enterprise Fund from settlement proceeds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Forest View Acres Water District shall and hereby does amend the adopted Budget for the fiscal year 2006 and adopts a supplemental budget and appropriation for the Enterprise Fund for the fiscal year 2006, as follows:

Enterprise Fund	\$	400,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 30th day of November, 2006.

FOREST VIEW ACRES WATER DISTRICT

By: _____


Secretary

FORET VIEW ACRES WATER DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

December 6, 2006

Division of Local Government
Department of Local Affairs
1313 Sherman Street, Room 520
Denver, Colorado 80203

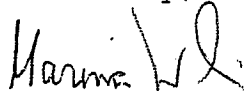
Re: Forest View Acres Water District;
Amendment of 2006 Budget and Appropriation

Dear Sir or Madam:

Enclosed is a copy of the Resolution to Amend the 2006 Budget and appropriation duly adopted by the Board of Directors of the Forest View Acres Water District on November 30, 2006.

If you have any questions, please contact me.

Sincerely,



Marina Wilson
Assistant to Lisa A. Johnson
District Manager

Enclosure

cc: Paul Rufien, Esq.

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE FOREST VIEW ACRES WATER DISTRICT
TO ADOPT THE 2007 BUDGET, SET MILL LEVIES
AND APPROPRIATE SUMS OF MONEY

ADOPT BUDGET

WHEREAS, the Board of Directors of the Forest View Acres Water District has appointed a budget committee to prepare and submit a proposed 2007 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted a proposed budget to this Board on or before October 15, 2006 for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on November 30, 2006, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Forest View Acres Water District:

1. That estimated expenditures for each fund are as follows:

Enterprise Fund:	\$	264,100
Debt Service Fund:	\$	87,478
Capital Improvement Fund:	\$	155,000
General Fund:	\$	54,591

2. That estimated revenues for each fund are as follows:

<u>Enterprise Fund:</u>		
From unappropriated surpluses	\$	225,311
From sources other than general property tax		274,675
Total Enterprise Fund	\$	<u>499,986</u>

Debt Service Fund:

From unappropriated surpluses	\$ 105,508
From sources other than general property tax	97,428
Total Debt Service Fund	<u>\$ 202,936</u>

Capital Improvement Fund:

From unappropriated surpluses	\$ 28,761
From sources other than general property tax	155,000
Total Capital Improvement Fund	<u>\$ 183,761</u>

General Fund:

From unappropriated surpluses	\$ 2,100
From sources other than general property tax	5,750
From the general property tax levy	46,741
Total General Fund	<u>\$ 54,591</u>

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of the Forest View Acres Water District for the 2007 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

SET MILL LEVIES

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$46,741; and

WHEREAS, the 2006 valuation for assessment for the District, as certified by the Assessor for the County of El Paso, is \$9,348,200.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Forest View Acres Water District:

1. That for the purposes of meeting all general operating expenses of the District during the 2007 budget year, there is hereby levied a tax of 5.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District, to raise \$46,741 in revenue.

2. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the

Board of County Commissioners, El Paso County, Colorado, the mill levies for the District as hereinabove determined and set.

APPROPRIATE SUMS OF MONEY

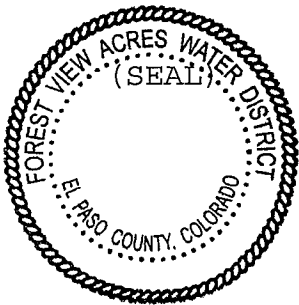
WHEREAS, the Board of Directors of the District has made provision for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and


WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Forest View Acres Water District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

Enterprise Fund:	\$	264,100
Debt Service Fund:	\$	87,478
Capital Improvement Fund:	\$	155,000
General Fund:	\$	54,591

ADOPTED this 30th day of November, 2006.




Secretary

FOREST VIEW ACRES WATER DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032

December 11, 2006

Board of County Commissioners
El Paso County

Attn: Donna Dobson
27 East Vermijo Avenue, 2nd Floor
Colorado Springs, CO 80903

VIA FACSIMILE: 719-520-6665

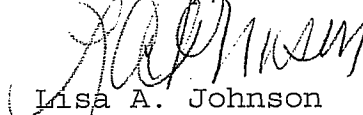
Re: Forest View Acres Water District;
Certification of Mill Levies

Dear Commissioners:

Enclosed herewith is the Certification of Mill Levies for the 2007 fiscal year, as duly certified by the Board of Directors of the Forest View Acres Water District. Please sign the receipt below and return via facsimile to 303-987-2032.

If you have any questions, please contact me at 303-987-0835.

Sincerely,



Lisa A. Johnson
District Manager

Enclosure

cc: Division of Local Government
Division of Property Taxation
Paul Rufien, Esq.

The above referenced Certification of Mill Levies was received by the Board of County Commissioners of El Paso County on the ____ day of December, 2006.

BOARD OF COUNTY COMMISSIONERS OF
EL PASO COUNTY

By _____

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of EL PASO COUNTY, Colorado.

On behalf of the FOREST VIEW ACRES WATER DISTRICT,
(taxing entity)^A

the BOARD OF DIRECTORS,
(governing body)^B

of the FOREST VIEW ACRES WATER DISTRICT,
(local government)^C

Hereby officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 9,348,200
assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation
(AV) different than the GROSS AV due to a Tax
Increment Financing (TIF) Area^F the tax levies must be \$ 9,348,200
calculated using the NET AV. The taxing entity's total (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
property tax revenue will be derived from the mill levy
multiplied against the NET assessed valuation of:

Submitted: 12/15/2006 for budget/fiscal year 2007.
(not later than Dec. 15) (dd/mm/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>5.000</u> mills	\$ <u>46,741</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u>0</u> > mills	\$ < <u>0</u> >
SUBTOTAL FOR GENERAL OPERATING:	<u>5.000</u> mills	\$ <u>46,741</u>
3. General Obligation Bonds and Interest ^J	<u>0</u> mills	\$ <u>0</u>
4. Contractual Obligations ^K	<u>0</u> mills	\$ <u>0</u>
5. Capital Expenditures ^L	<u>0</u> mills	\$ <u>0</u>
6. Refunds/Abatements ^M	<u>0</u> mills	\$ <u>0</u>
7. Other ^N (specify): _____	<u>0</u> mills	\$ <u>0</u>
	<u>0</u> mills	\$ <u>0</u>
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>5.000</u> mills	\$ <u>46,741</u>

Contact person: _____ Daytime
(print) Lisa Johnson phone: (303) 987-0835

Signed: Brian Reed Pellety Title: President, BOD

Send one completed copy of this form to the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, Colorado 80203
when the local government's adopted budget is submitted to DLG. Questions? Call DLG at (303) 866-2156.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form
for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of
Form DLG57 on the County Assessor's final certification of valuation).

FOREST VIEW ACRES WATER DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032

January 15, 2007

Division of Local Government
1313 Sherman Street, Room 520
Denver, Colorado 80203

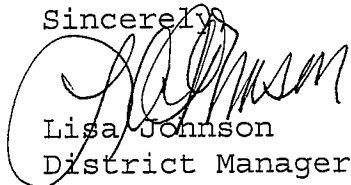
Re: Forest View Acres Water District; 2007 Budget

Ladies and Gentlemen:

Enclosed is the 2007 Budget as certified by the Board of Directors of the Forest View Acres Water District of EL Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S.

If there are any questions on the Budget, please contact Lisa Johnson, District Manager, at (303)987-0835.

Sincerely,



Lisa Johnson
District Manager

Enclosure

cc: Paul Rufien, Esq.

CERTIFICATION OF BUDGET

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Forest View Acres Water District, for the budget year ending December 31, 2007 as adopted on November 30, 2006.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Forest View Acres Water District in El Paso County, Colorado, this 30th day of November, 2006.

By: Barbara Reed Polatty
President



FOREST VIEW ACRES WATER DISTRICT
ADOPTED BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2007

	ACTUAL 2005	BUDGET 2006	ADOPTED 2007
ASSESSED VALUATION	0	9,212,730	9,348,200
MILL LEVY			
General	0.000	0.000	5.000
Temporary Mill Levy Reduction	0.000	0.000	0.000
Debt Service	0.000	0.000	0.000
Combined Total	0.000	0.000	5.000
PROPERTY TAX REVENUE			
General	0	0	46,741
Temporary Mill Levy Reduction	0	0	0
	0	0	46,741
Debt Service	0	0	0
TOTAL TAXES	\$ -	\$ -	\$ 46,741

FOREST VIEW ACRES WATER DISTRICT
ADOPTED BUDGET
ENTERPRISE FUND
FOR THE YEAR ENDING DECEMBER 31, 2007

	ACTUAL 2005	BUDGET 2006	ESTIMATED 2006	ADOPTED 2007
Beginning Funds Available	\$ 39,579	\$ 20,976	\$ 772	\$ 225,311
Revenues				
Water Usage Fees	75,549	75,000	73,000	158,000
Late Fees	0	500	1,600	500
Service Fee Charges	60,381	143,964	135,000	96,100
Transfer Fees	3,100	500	2,400	600
Tap Fees	0	150,000	156,878	0
Administrative Fee-Taps	200	0	0	0
Tap Repair Reimbursement	0	3,500	0	0
Electric Provider Capital Credit	810	500	0	0
Interest Income	(9)	10	6,000	6,000
Miscellaneous Income	(21,374)	0	692	0
Settlement Proceeds-Embezzle	0	0	221,040	3,475
Curb Stop Replacement	0	0	0	10,000
Total Revenues	118,657	373,974	596,610	274,675
Total Funds Available	158,236	394,950	597,382	499,986
Expenditures:				
Administrative				
Management	0	25,000	130,000	50,000
Audit	0	4,000	4,000	4,000
Billing	8,325	0	0	20,000
Election	0	0	0	0
Insurance/SDA Dues	7,948	5,200	4,538	4,700
Telephone	2,200	2,200	1,000	0
Cellular	916	900	255	0
Legal	17,784	6,000	35,000	6,000
Legal-Water Rights	0	0	0	5,000
Dues-AWWA	0	200	0	200
District Web Site	0	200	0	0
Office Supplies-Postage	6,922	6,500	1,200	1,200
Bank Fees	0	0	0	120
Miscellaneous	2,828	500	9,000	4,880
Sub-Total Administrative	46,923	50,700	184,993	96,100
Water Production & Distribution				
Operator in Resp Chg (ORC)	56,328	51,100	37,728	54,600
Emergency ORC	0	0	0	5,000
Mileage	0	100	250	0
Meter Reading & Maintenance	0	0	0	5,400
General Repairs & Maintenance	5,506	6,000	30,000	5,000
Treatment Repair & Maintenance	0	0	0	10,000
Distribution Repair & Maint	0	0	0	36,000
Curb Stop Replacement	0	0	0	10,000
Supplies and Chemicals	7,184	1,600	12,000	6,000
Telephone	0	0	0	1,000
Utilities-Gas	20,100	12,000	5,500	5,500
Utilities-Electric	9,353	23,000	20,000	19,000
Utilities-Sanitation	4,558	3,000	7,500	7,500
Water Testing	7,512	7,000	3,000	3,000
Sub-Total Water Prod & Distr	110,541	103,800	115,978	168,000
Transfer Out to General Fund	0	86,500	71,100	0
Transfer Out to Capital Fund	0	30,000	0	0
Total Expenditures	157,464	271,000	372,071	264,100
Ending Funds Available	\$ 772	\$ 123,950	\$ 225,311	\$ 235,886

FOREST VIEW ACRES WATER DISTRICT
ADOPTED BUDGET
DEBT SERVICE FUND
FOR THE YEAR ENDING DECEMBER 31, 2007

	ACTUAL 2005	BUDGET 2006	ESTIMATED 2006	ADOPTED 2007
Beginning Funds Available	\$ 2,552	\$ 2,965	\$ 12,081	\$ 105,508
Revenues				
Debt Service Fees	87,126	87,048	87,048	87,048
Availability of Service	11,040	2,400	14,620	8,880
Interest Income	3	10	2,500	1,500
Settlement Proceeds	0	0	80,000	0
Total Revenues	98,169	89,458	184,168	97,428
Total Funds Available	100,721	92,423	196,249	202,936
Expenditures				
Bond Principal	40,000	45,000	45,000	45,000
Bond Interest	42,412	39,513	39,513	36,250
DOLA Loan Payment	5,828	5,828	5,828	5,828
Bond Service Charge	400	400	400	400
Cash Flow Reserve	0	0	0	0
Total Expenditures	88,640	90,741	90,741	87,478
Ending Funds Available	\$ 12,081	\$ 1,682	\$ 105,508	\$ 115,458

Maximum Funds \$400,000

FOREST VIEW ACRES WATER DISTRICT
ADOPTED BUDGET
CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDING DECEMBER 31, 2007

	ACTUAL 2005	BUDGET 2006	ESTIMATED 2006	ADOPTED 2007
Beginning Funds Available	\$ -	\$ -	\$ 21,821	\$ 28,761
Revenues				
Tap Fees	25,000	0	12,500	0
Inspection Deposit	1,100	0	0	0
DOLA Loan Proceeds	172,498	0	0	0
Colorado Health Grant	10,000	0	0	0
Raspberry Ridge Inclusion	0	0	0	0
Capital Replacement Fee	0	0	0	155,000
Total Revenues	208,598	0	12,500	155,000
Transfer In-Enterprise Fund	0	30,000	0	0
Transfer In-General Fund	0	23,000	0	0
Total Funds Available	208,598	53,000	34,321	183,761
Expenditures				
Legal	0	0	0	0
Infrastructure Projects	32,008	23,000	0	0
Raspberry Ridge Infrastructure	0	30,000	0	0
Engineering	10,000	0	0	0
Survey Expenses		0	0	0
Misc Capital Expenses	144,769	0	5,560	0
A&D on Arapahoe TP	0	0		10,000
A&D Booster & Improvements	0	0		50,000
A&D Storage Tank Inspection	0	0		10,000
A&D Surface Inlet	0	0		10,000
A&D Automation of STP	0	0		20,000
A&D Secondary Well	0	0		20,000
A&D Distribution Valve Install	0	0		20,000
Infrastru & Easement Research	0	0		15,000
Total Expenditures	186,777	53,000	5,560	155,000
Ending Funds Available	\$ 21,821	\$ -	\$ 28,761	\$ 28,761

Maximum Funds \$700,000

FOREST VIEW ACRES WATER DISTRICT
ADOPTED BUDGET
GENERAL FUND
FOR THE YEAR ENDING DECEMBER 31, 2007

	ACTUAL 2005	BUDGET 2006	ESTIMATED 2006	ADOPTED 2007
Beginning Funds Available	\$ -	\$ -	\$ -	\$ 2,100
Revenues				
Property Tax	0	0	0	46,741
Specific Ownership Tax	0	0	0	2,750
DOLA Loan Proceeds	0	23,000	0	0
Inclusion - Higgins	0	0	0	3,000
Interest Income	0	0	0	0
Total Revenues	0	23,000	0	52,491
Transfer In-Enterprise Fund	0	86,500	71,100	0
Total Funds Available	0	109,500	71,100	54,591
Expenditures:				
Management	0	10,000	25,000	30,000
Audit	0	3,000	3,000	3,000
Insurance/SDA Dues	0	3,500	3,500	3,700
Election	0	15,000	15,000	0
Legal	0	4,000	0	4,000
Litigation Legal Expense	0	50,000	16,000	4,000
Inclusion Expense-Higgins	0	0	3,000	3,000
Inclusion Exp-Red Rock Reserve	0	0	2,000	0
Inclusion Exp-Schmidt	0	0	1,500	0
Office Supplies-Postage	0	1,000	0	1,000
Treasurer's Fees	0	0	0	701
Contingency	0	0	0	3,600
Total Expenditures	0	86,500	69,000	53,001
Emergency Reserve	0	0	0	1,590
Transfer Out-Capital Fund	0	23,000	0	0
Total Expenditures Requiring appropriations	0	109,500	69,000	54,591
Ending Funds Available	\$ -	\$ -	2,100	\$ -

FOREST VIEW ACRES WATER DISTRICT
2007 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

The 2007 Budget of the Forest View Acres Water District is prepared using a modified accrual basis of accounting.

The Board of Directors acknowledges the adoption of the TABOR Amendment on November 3, 1992 and has attempted to comply within the spirit of the TABOR Amendment as best as possible given the ambiguities which exist in interpreting its provisions.

At a special election held on November 7, 2006, the qualified electors of the District approved the imposition of a general fund mill levy not in excess of five (5) mills annually for the purpose of paying the District's operations, maintenance, and other expenses.

Services Provided

The District was organized in 1956 to provide water service to property within its service area.

The District serves approximately 275 households and is located entirely within the boundaries of El Paso County. Existing development within the District consists primarily of residential housing.

Revenue

General Fund: The primary source of revenue for general operations in 2007 are property taxes, specific ownership taxes and interest income.

Debt Service Fund: The primary source of revenue for debt service in 2007 is a debt service fee collected from all property owners within the District.

Availability of Service fees are also sources of revenue.

Enterprise Fund: The District has established an Enterprise Fund for water operations in accordance with Section 37-45.1-101, et. seq., C.R.S. No property taxes or grants are received by the Enterprise Fund. The Enterprise Fund is exempt from the provisions of the TABOR Amendment. Service charges and use fees are billed to all connected taps on a monthly basis. The Board

anticipates an increase in these fees in 2007.

Capital Improvements Fund: The primary source of revenue for capital improvements is transfers from the Enterprise Fund.

Expenditures

Enterprise Fund: The District's expenditures for operating and maintenance in the Enterprise Fund are based upon the same level of service as the current and prior years.

General Fund: The District's expenditures for general administrative services are based upon the same level of service as the current and prior years.

Debt Service Fund: Expenditures in the debt service fund are in accordance with the debt service schedules for principal and interest payments.

Capital Improvements Fund: Certain capital improvement and replacement projects are planned for 2007. The improvements will commence when sufficient funds are received.

Emergency Reserve Fund: The District has provided for an Emergency Reserve Fund in the amount of 3% of the total expenditures in the General Fund in accordance with the TABOR Amendment.